

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

Case No. 24-cv-21376-JLK

UNITED STATES OF AMERICA,

Plaintiff,

v.

**CEREBRAL, INC., a corporation,
ZEALTHY, INC., a corporation,
GRONK, INC., a corporation, BRUNO
HEALTH, P.A., a corporation, KYLE
ROBERTSON, individually, ALEX
MARTELLI, individually, and GERMAN
ECHEVERRY, individually,**

Defendants.

**UNITED STATES' NOTICE OF SETTLEMENT
AS TO DEFENDANT CEREBRAL, INC.**

Plaintiff the United States of America filed its First Amended Complaint For Permanent Injunction, Monetary Relief, Civil Penalties and Other Relief against Defendants Cerebral, Inc., Zealthy, Inc., Gronk, Inc., Bruno Health, P.A., Kyle Robertson, Alex Martelli, and German Echeverry (ECF 21) on May 31, 2024.

The United States and Defendant Cerebral, Inc. have resolved all issues in this matter and the United States has filed a Consent Motion for Entry of a Stipulation for Order for Permanent Injunction, Monetary Judgment, Civil Penalty Judgment, and Other Relief against Cerebral, Inc. ("Stipulation"). The Commissioner of the Federal Trade Commission ("FTC")'s Reasons for Settlement is attached hereto as Exhibit 1.

Dated: May 31, 2024

Respectfully submitted,

**FOR THE FEDERAL TRADE
COMMISSION:**

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EXHIBIT 1

THE COMMISSIONER'S REASONS FOR SETTLEMENT

This statement accompanies the Notice of Settlement between the Plaintiff, United States, and Defendant Cerebral, Inc. ("Cerebral"). The United States and Cerebral have agreed to file a Joint Stipulation for Order for Permanent Injunction, Monetary Judgment, Civil Penalty Judgment, and Other Relief ("Stipulated Order") executed by Cerebral, Inc. ("Defendant"), in settlement of an action brought to obtain monetary relief, civil penalties, and equitable relief from Defendant Cerebral for engaging in acts or practices in violation of Section 5 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45, Section 8023(a) of the Opioid Addiction Recovery Fraud Prevention Act of 2018 ("Opioid Act"), 15 U.S.C. § 45d(a), and Section 5 of the Restore Online Shoppers' Confidence Act ("ROSCA"), 15 U.S.C. § 8404. The Stipulated Order imposes robust injunctive relief, consumer redress of over \$5 million dollars, and a partially-suspended civil penalty of \$10 million dollars, with a civil penalty of \$2 million payable to the Commission after entry of the order.

Pursuant to Section 5(m)(3) of the FTC Act, as amended, 15 U.S.C. § 45(m)(3), the Federal Trade Commission ("Commission") hereby sets forth its reasons for settlement by entry of the Notice of Settlement.

On the basis of the allegations contained in the Complaint for Permanent Injunction, Monetary Relief, Civil Penalties, and Other Relief ("Complaint"), and the factors set forth in Section 5(m)(1)(C) of the FTC Act, as amended, 15 U.S.C. § 45(m)(1)(C), the Commission believes that the injunctive relief in the Stipulated Order, its provision for consumer redress in excess of \$5 million dollars, and its imposition of a civil penalty of \$10 million dollars, partially suspended in light of the Defendant's inability to pay, constitutes an appropriate settlement. The injunctive relief, monetary relief, and civil penalties imposed under the Stipulated Order constitute effective means to assure Defendant's future compliance with the FTC Act, the Opioid Act, and ROSCA and to deter others who might violate these laws. Additionally, with the entry of such a Stipulated Order, the time and expense of litigation will be avoided.

For the foregoing reasons, the Commission believes that the settlement by entry of the Stipulated Order with Defendant is justified and well within the public interest.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I caused to be served by certified mail the foregoing document on May 31, 2024 on the following parties:

Alex Martelli
340 S. Lemon St., #9892
Walnut, CA 91789
Defendant

Gronk, Inc. d/b/a Zealthy, Inc.
429 Lenox Ave.
Miami Beach, FL 33139
Defendant

Zealthy, Inc.
c/o United Corporate Services, Inc.
800 North State Street, Suite 304
Dover, Delaware 19901
Defendant

German Echeverry, M.D.
1508 Bay Road N1403
Miami Beach, FL 33139
and

704 NE 72nd St.
Miami, FL 33138
Defendant

Bruno Health, P.A.
c/o German Echeverry
1508 Bay Rd. N1403
Miami Beach, FL 33139
and
1501 Biscayne Blvd., Suite 501
Miami, FL 33132
Defendant

I further certify that the foregoing document is being served this day on all counsel of record identified below via ECF filing notification.

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/s/ Shana C. Priore
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Trial Attorney